

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
GREENVILLE DIVISION

IN RE: )  
 )  
CAH ACQUISITION COMPANY 7, LLC d/b/a ) Case No. 19-01298-5-JNC  
PRAGUE COMMUNITY HOSPITAL, )  
 ) Chapter 11  
Debtor. )  
 )

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**SECOND APPLICATION BY ARNETT CARBIS TOOTHMAN LLP AS CERTIFIED  
PUBLIC ACCOUNTANT FOR THE TRUSTEE FOR ALLOWANCE OF INTERIM  
COMPENSATION AND REIMBURSEMENT OF EXPENSES  
[DECEMBER 1, 2019 THROUGH FEBRUARY 29, 2020]**

NOW COMES Arnett Carbis Toothman LLP (the “Applicant”), Certified Public Accountant for the Trustee (“CPA for the Trustee”) for Thomas W. Waldrep, Jr., trustee in the above-captioned case (the “Trustee”), pursuant to the provisions of the Bankruptcy Code, and hereby makes this report and application to the Court for approval of fees and reimbursement of expenses pursuant to §§ 330 and 331 of the Bankruptcy Code, in connection with the accounting and related financial and regulatory management services rendered to date in the course of this Chapter 11 proceeding; and, in support of this application, respectfully shows the Court as follows:

1. On March 21, 2019 (the “Petition Date”), CAH Acquisition Company 7, LLC, d/b/a Prague Community Hospital (the “Debtor”) filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code [Dkt. No. 001].
2. Concurrently on the Petition Date, the Debtor also filed the *Debtor’s Emergency Motion for and Consent to Appointment of Chapter 11 Trustee* [Dkt. No. 005]. On March 29, 2019, the Court entered an Order approving the appointment of the Trustee on an interim basis [Dkt. No. 28]. The Trustee is the duly appointed, qualified, and acting trustee of the Chapter 11 estate of the Debtor.

3. This Bankruptcy Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the matter is a core proceeding under 28 U.S.C. § 157(b)(2).

4. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

5. The statutory predicates for the relief requested herein are §§ 330 and 331 of the Bankruptcy Code.

6. On June 10, 2019, the Trustee filed a motion requesting authorization to employ Arnett Carbis Toothman LLP (“ACT”) as Certified Public Accountant for the Trustee effective as of May 6, 2019 [Dkt. No. 175], and the final order approving the same was entered on June 19, 2019 [Dkt. No. 195].

7. Since filing the petition, the Applicant has expended hours extensively assisting the Trustee with various professional services in fulfillment of the duties required of the Trustee. It is vital that the Applicant be allowed compensation for the services rendered to the Trustee.

8. On February 10, 2020, the Court entered its Order [Dkt. No. 463] (the “First Fee Order”) approving the first fee application filed by Applicant [Dkt. No. 400] (the “First Fee Application”) for the amount of \$35,842.57 in fees and \$286.47 in expenses

9. This application is submitted under the standard approved by this Bankruptcy Court and other courts as set forth in § 330 of the Bankruptcy Code and Rule 2016(a) of the Federal Rules of Bankruptcy Procedure. These standards include a detailed statement of services rendered; the amounts requested; the times and rates for such services; whether the services were necessary to the administration of or beneficial at the time at which the service was rendered toward the completion of the case; whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; whether the professionals are board certified or otherwise have demonstrated skill and

experience in their field; and whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

10. ACT is a large regional accounting and consulting firm with extensive expertise in tax preparation, audits, regulatory filings, and the evaluation and compilation of financial data. ACT experience with reporting and regulatory aspects of a Chapter 11 proceeding, specifically one dealing with a healthcare debtor. K. James Hunt (“Mr. Hunt”), the lead ACT partner in this engagement, has provided a full range of auditing, compliance, and restructuring services throughout the United States to underperforming healthcare debtors in financially-troubled situations. Mr. Hunt has extensive experience in tax preparation and auditing, Medicare and Medicaid issues, and the financial evaluation of health care entities. Mr. Hunt is supported by other experienced ACT professionals who have provided essential services in support of the Applicant’s role as CPA for the Trustee.

11. ACT standard rates may be summarized as follows:

**Position Classification, Standard Hourly Rates**

Partner, \$325

Senior Manager, \$235–\$275

Manager, \$185–\$215

Supervisor, \$125–\$165

Senior Associate, \$125–\$145

Associate, \$100–\$140

Support, \$80.

Travel is billed at a rate of \$75 per hour. ACT also seeks reimbursement of necessary out-of-pocket

business expenses at actual cost. The rates listed above represent a slight increase from the interim rates specified in the Motion to Employ [Dkt. 175] that was allowed by the court with the Consent Order Allowing Motion to Employ Arnett Carbis Toothman LLP filed on June 19, 2019 [Dkt. 195]. These rates, however, are the same as those disclosed in the First Fee Application and approved in the First Fee Order.

12. Attached hereto as **Exhibit A** is a “Summary of Services Rendered” in connection with this application, which sets forth for the time period described therein a summary of the professional services rendered by the CPA for the Trustee on behalf of the Trustee in connection with the administration of this proceeding. The summary sets forth with respect to each timekeeper the name of the individual, the hours, the rate, and the total dollar amount requested. **Exhibit A** also sets forth a summary of the expenses advanced for which reimbursement is sought.

13. Attached hereto as **Exhibit B** is the “Detailed Statement of Services Rendered” setting forth the services rendered post-petition by the Applicant during the period covered by this application. **Exhibit B** details the date that the services were performed, the timekeeper involved, the hours charged, the current interim rate, the interim amount, and a description of the service provided or expense incurred. **Exhibit B** also provides the itemized expenses incurred by the Applicant.

14. All the services for which compensation is requested were performed by or on behalf of the Trustee and not on behalf of the Debtor, creditors, or other persons. Furthermore, the services rendered by the Applicant were essential to the performance of the Trustee’s role and beneficial toward the completion of the case.

15. The services performed by the Applicant were services for which the CPA for the

Trustee held the sole responsibility and were not services for which any other party had responsibility to the exclusion of the Trustee or the CPA for the Trustee.

16. The Applicant requests that the Bankruptcy Court allow interim compensation for services rendered and reimbursement of expenses as set forth in the attached Exhibits.

17. Further, the Applicant requests permission to apply for and receive interim compensation hereafter every sixty (60) days and at the hourly rates as shown on the attached Exhibits or as may be subsequently approved by the Bankruptcy Court; that the Applicant be permitted to also apply for reimbursement of expenses billed at the actual costs incurred; that the Clerk provide notice of such applications to all interested parties and set forth the opportunity for hearing with respect thereto by filing written objection on or before a date certain, and if no objection is filed, that hearing be waived and the application submitted to the Bankruptcy Court for approval, with payment to be made by the Debtor upon receipt of written notice from the Clerk.

18. The Applicant has incurred post-petition fees in the amount of \$26,883.70 and actual expenses in the amount of \$40.00, for a total of \$26,923.70 for the period set forth in this application, and these items are detailed on the attached **Exhibit B**.

**WHEREFORE**, the Applicant requests that the Bankruptcy Court enter an order granting the following relief:

A. Allowing interim compensation to the Applicant as CPA for the Trustee in the amount of \$26,883.70 for fees, together with reimbursement of \$40.00 for actual expenses incurred, totaling \$26,923.70, for the period set forth in this application;

B. Allowing the Applicant to apply for and receive interim compensation hereafter every sixty (60) days and at the hourly rates as shown on the attached Exhibits, or at such rates as may be subsequently approved by the Bankruptcy Court; and

C. Such other relief as the Court may deem necessary and proper.

Respectfully submitted, this the 8 day of April, 2020.

**WALDREP LLP**

/s/ Jennifer B. Lyday

Thomas W. Waldrep, Jr. (NC State Bar No. 11135)  
James C. Lanik (NC State Bar No. 30454)  
Jennifer B. Lyday (NC State Bar No. 39871)  
Francisco T. Morales (N.C. State Bar No. 43079)  
101 S. Stratford Road, Suite 210  
Winston-Salem, NC 27104  
Telephone: 336-717-1440  
Telefax: 336-717-1340  
Email: notice@waldrepllp.com

**- and -**

**HENDREN, REDWINE & MALONE, PLLC**

Jason L. Hendren (NC State Bar No. 26869)  
Rebecca F. Redwine (NC State Bar No. 37012)  
4600 Marriott Drive, Suite 150  
Raleigh, NC 27612  
Telephone: 919-420-7867  
Telefax: 919-420-0475  
Email: khendren@hendrenmalone.com  
rredwine@hendrenmalone.com

*Co-Counsel for the Trustee*

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
GREENVILLE DIVISION

IN RE: )  
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CAH ACQUISITION COMPANY 7, LLC d/b/a ) Case No. 19-01298-5-JNC  
PRAGUE COMMUNITY HOSPITAL, )  
 ) Chapter 11  
Debtor. )  
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**SUMMARY OF SERVICES RENDERED / APPLICATION FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES BY ARNETT CARBIS TOOTHMAN LLP**

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From December 1, 2019 through February 29, 2020, the undersigned firm performed professional services for the above-named bankruptcy estate in the capacity of the Trustee's special counsel. Attached to this application as **Exhibit B** is a detailed itemization of time expended and expenses incurred in the performance of these professional services.

NAME	HOURS	RATE	TOTAL	Hourly Rate Allowed by Court in Most Recent Fee Award Order
Alden, Rachielle	0.4	\$100.00	\$40.00	N/A
Brannon, Steven	1.0	\$84.00	\$84.00	N/A
Cogar, Brent	0.2	\$173.00	\$34.60	\$173.00
Drake, Hannah	9.3	\$105.00	\$976.50	\$105.00
Gepper, David	1.4	\$247.00	\$345.80	\$247.00
Gibboney, John	79.8	\$131.00	\$10,453.80	\$131.00
Gibbs, Greg	0.3	\$340.00	\$102.00	\$340.00
Graziani, Kathy	1.0	\$340.00	\$340.00	\$340.00
Highlander, Kevin	1.7	\$340.00	\$578.00	\$340.00
Hong-Brown, Venus	1.0	\$105.00	\$105.00	N/A
Hunt, James	1.0	\$340.00	\$340.00	\$340.00
Hutchenson, Keith	12.0	\$340.00	\$4,080.00	\$340.00
Kemper, Eric	3.7	\$289.00	\$1,069.30	\$289.00
Melillo, Nick	4.8	\$100.00	\$480.00	\$100.00
Natale, Diane	1.0	\$84.00	\$84.00	N/A
Raley, James	1.0	\$340.00	\$340.00	\$340.00
Slagle, Dionna	18.1	\$247.00	\$4,470.70	\$247.00
Tilley, Jonathan	0.8	\$63.00	\$50.40	N/A
Tyler, Amanda	0.2	\$84.00	\$16.80	\$84.00
Webel, Curtis	12.8	\$226.00	\$2,892.80	\$226.00
Total hours	151.5		\$26,883.70	
Reimbursement for Expenses Requested		\$40.00		
<b>TOTAL Fees and Expenses Requested</b>			<b>\$26,923.70</b>	

I certify that the information contained in this application is true and accurate and that the application complies with the Bankruptcy Court's Chapter 11 fee guidelines currently in effect.

Respectfully submitted, this the 8 day of April, 2020.

**WALDREP LLP**

*/s/ Jennifer B. Lyday*

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Thomas W. Waldrep, Jr. (NC State Bar No. 11135)  
James C. Lanik (NC State Bar No. 30454)  
Jennifer B. Lyday (NC State Bar No. 39871)  
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Rebecca F. Redwine (NC State Bar No. 37012)  
4600 Marriott Drive, Suite 150  
Raleigh, NC 27612  
Telephone: 919-420-7867  
Telefax: 919-420-0475  
Email: khendren@hendrenmalone.com  
rredwine@hendrenmalone.com

*Co-Counsel for the Trustee*

## Exhibit B

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
GREENVILLE DIVISION

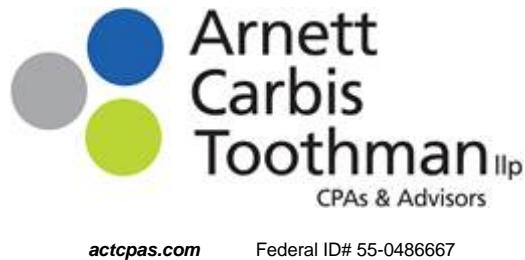
IN RE: )  
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CAH ACQUISITION COMPANY 7, LLC d/b/a ) Case No. 19-01298-5-JNC  
PRAGUE COMMUNITY HOSPITAL, )  
 )  
Debtor. ) Chapter 11  
 )  
 )

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**DETAILED STATEMENT OF SERVICES RENDERED BY  
ARNETT CARBIS TOOTHMAN LLP**

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Attached hereto is a detailed itemization of time expended and expenses incurred by Arnett Carbis Toothman LLP in the performance of accounting and related financial and regulatory management services as Certified Public Accountant for the Trustee.



**Arnett Carbis Toothman LLP Locations**

**West Virginia**

Bridgeport  
Buckhannon  
Charleston  
Morgantown

**Pennsylvania**

Meadville  
New Castle  
Pittsburgh

**Ohio**

Columbus

**Prague Community Hospital-Bankruptcy  
c/o Waldrep LLP  
101 S. Stratford Rd., Suite 210  
Winston-Salem, NC 27104**

**Invoice: 418127  
Date: 02/19/2020  
ID: 1301979.3000**

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Professional consulting services through January 31, 2020.

Detail attached.

Amount Due This Invoice \$ 20,656.30

**Visit our website to pay invoices online: [www.actcpas.com/payment](http://www.actcpas.com/payment)  
or**

**Remit to: Arnett Carbis Toothman LLP, Post Office Box 45723, Baltimore, MD 21297-5723**

*Invoices unpaid for more than thirty days are subject to a late charge of 1.25% per month on the unpaid balance for each full month  
that the invoice or unpaid portion thereof is outstanding.*

**WHITE - REMITTANCE COPY CANARY - CLIENT COPY**

### Prague Community Hospital - Invoice Detail

EMPLOYEE	DATE	HOURS	WIP AMT	RATE	MEMO
Slagle	12/1/2019	2.1	518.70	247.00	Combined Cohesive and ACT Trial Balance for Cost Report
Gepper	12/2/2019	0.1	24.70	247.00	Cost Report - 2019 Preparation
Gibboney	12/2/2019	0.6	78.60	131.00	Cost Report - Trial Balance import
Hutcheson	12/2/2019	1.0	340.00	340.00	Rough Draft General Ledger assistance for cost report
Slagle	12/2/2019	1.0	247.00	247.00	General Ledger Review
Gepper	12/3/2019	0.5	123.50	247.00	Cost Report - 2019 Preparation
					Cost Report -Trial Balance export/mappings, worksheets A & C, B-1 stats, adjustments, reclasses, days
Gibboney	12/3/2019	6.7	877.70	131.00	
Hunt	12/3/2019	0.3	102.00	340.00	Status communication call and related prep- w Trustee
Hutcheson	12/3/2019	1.0	340.00	340.00	Cost report rough draft
					Cost Report -cohesive and ihealthcare adjustment, HFS input ws A & C & days, days adjust, B-1 stat, A-8-2
Gibboney	12/4/2019	2.8	366.80	131.00	
Hong-Brown	12/4/2019	1.0	105.00	105.00	Attention to tax basis capital reporting requirement - calculation regarding same
Hutcheson	12/4/2019	2.5	850.00	340.00	Cost Report - review
Slagle	12/4/2019	1.0	247.00	247.00	General Ledger/Cost Report
Gibboney	12/5/2019	2.8	366.80	131.00	Cost Report -Trial Balance correction/Cost Report corrections
Hutcheson	12/5/2019	3.0	1,020.00	340.00	Cost Report -Corrections to GL expenses and revenues
Natale	12/5/2019	1.0	84.00	84.00	Organize / Scan Bankruptcy documents
Slagle	12/5/2019	2.0	494.00	247.00	General Ledger- Cost Report
Hutcheson	12/6/2019	2.0	680.00	340.00	Cost Report -Review Draft report - Changes to expense and revenues
Gibboney	12/9/2019	2.3	301.30	131.00	Cost Report -MGMT allow vs non-allow, outstanding items, LSA review, Nursing facility rate
Hutcheson	12/9/2019	0.5	170.00	340.00	Cost Report -Review report with management fees
Gibboney	12/10/2019	1.5	196.50	131.00	Cost Report -updated RHC visits, WS C summary, G-2, edits
Raley	12/11/2019	1.0	340.00	340.00	Review of Cost Report estimates and prep for call
Slagle	12/11/2019	0.5	123.50	247.00	Call with Waldrep
Gibboney	12/16/2019	3.8	497.80	131.00	Cost Report -Payroll/RHC visits workpapers
Slagle	12/16/2019	0.5	123.50	247.00	Cost Report Schedule- Waldrep
Slagle	12/17/2019	0.3	74.10	247.00	Waldrep assistance with CMS schedules
Gibboney	12/18/2019	0.2	26.20	131.00	Cost Report -Contract labor review, email to tina steele requesting breako
					Cost Report -Physician & mid-level provider comp wps, emails to Tina regarding contract labor, transfer files to Caseware, payroll request, discussion with Curt and Brent regarding contract labor/mid-level comp, mid-level adjustment, compare payroll file with contract labor
Gibboney	12/30/2019	3.9	510.90	131.00	

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EMPLOYEE	DATE	HOURS	WIP AMT	RATE	MEMO
Gibboney	12/31/2019	0.8	104.80	131.00	Cost Report -physician & mid-level comp wps, updated HFS A-8 & A-8-2
Gepper	1/2/2020	0.5	123.50	247.00	Cost Report - 2019 Preparation
					Cost Report -Therapy and payroll request from Tina, looking over Caseware files for needed items, payroll hours request, updated physician and mid-level comp workpaper with ER log, discussion
Gibboney	1/2/2020	2.5	327.50	131.00	with Brent and David about needed items, phone call with Tina to request items
Slagle	1/2/2020	0.4	98.80	247.00	Waldrep call on payroll taxes & CMS Cost Report
Graziani	1/3/2020	0.5	170.00	340.00	W-2- Work on spreadsheet
Graziani	1/4/2020	0.3	102.00	340.00	W-2- Work on spreadsheet
Gibboney	1/6/2020	6.2	812.20	131.00	Cost Report -New trial balance from Tina, payroll, email to Tina regarding payroll hours, contract dollars and hours file from Tina
Gibboney	1/7/2020	0.1	13.10	131.00	Cost Report -RHC contract labor salary and hour wp correction
Gibboney	1/7/2020	2.2	288.20	131.00	Cost Report -Trial Balance correction
					Cost Report -Import files from Tina into Caseware/email response to Tina for clarification regarding RHC visits, revised TB, checking reclasses and adjustments/WS A & C, ER time study/physician and mid-level comp wp, email sent to Tina regarding contracted therapies, phone call with Tina
Gibboney	1/8/2020	3.4	445.40	131.00	regarding contracted therapies, updated outstanding items list
Slagle	1/8/2020	0.2	49.40	247.00	Invoice work for Bankruptcy Trustee
Gepper	1/9/2020	0.3	74.10	247.00	Cost Report - 2019 Preparation
					Cost Report -balanced Trial Balance, revised cohesive mgmt fee adj, RHC by fin class wp (Medicaid), discussion with Brent and DAvid about outstanding items, email to Tina for outstanding
Gibboney	1/9/2020	2.6	340.60	131.00	RHC items, updated outstanding items list
Slagle	1/9/2020	0.3	74.10	247.00	Pre- petition information for cost report
Webel	1/9/2020	0.2	45.20	226.00	Preparation work on client's FYE 09-30-2019 Medicare cost report.
Gibboney	1/10/2020	0.2	26.20	131.00	Cost Report -call with Dionna regarding outstandint items
Hutcheson	1/10/2020	0.5	170.00	340.00	Cost Report - review and outstanding issues
Slagle	1/10/2020	0.4	98.80	247.00	Gathering cost report information
					Cost Report -new Trial Balance and Accounts Payabel contract labor files Remove mgmt fee adj, contract therapies wp, email to Tina for contract therapy invoice clarifications incorproate yet
Gibboney	1/13/2020	3.3	432.30	131.00	another revised TB from Tina
Slagle	1/13/2020	0.3	74.10	247.00	Call and follow-up with Waldrep
					Cost Report - email to Tina about RHC info, invitation to Cassie for liquidfile, RHC request to Jenni, file transfer to Cassie, discussion with Brent about contract therapies, balance sheet/payroll
Gibboney	1/14/2020	1.4	183.40	131.00	Jenni, file transfer to Cassie, discussion with Brent about contract therapies, balance sheet/payroll
Gibboney	1/15/2020	5.1	668.10	131.00	Cost Report -Balance sheet/G series/A-8 other income, edits, RHC detail, M-1/M-2
Cogar	1/16/2020	0.2	34.60	173.00	Payroll Tax - Summarize Data
Gibboney	1/16/2020	2.5	327.50	131.00	Cost Report -Payroll hours, RHC salary detail and split, RHC visits

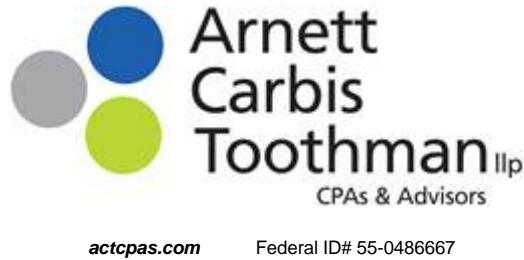
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EMPLOYEE	DATE	HOURS	WIP AMT	RATE	MEMO
Graziani	1/16/2020	0.1	34.00	340.00	Emails on W2 information
Hutcheson	1/16/2020	0.5	170.00	340.00	Cost Report - 2019 Questions/Issues
Slagle	1/16/2020	0.5	123.50	247.00	Cohesive management fee allocation- accounting
Gibboney	1/17/2020	3.9	510.90	131.00	Cost Report -RHC visits/S-3 part I, call with Dionna about changing inpatient revenue accounts, change inpatient revenue calc based on total days instead of extrapolate based on months data
Graziani	1/17/2020	0.1	34.00	340.00	Worked with Nick on finding W-2 info
Melillo	1/17/2020	0.4	40.00	100.00	PROCESS Q4 RETURN
Slagle	1/17/2020	0.7	172.90	247.00	Cost Report Settlemnt/Purchase Agreement Analysis
Slagle	1/17/2020	1.0	247.00	247.00	Revenue allocation- 1st 5 mo
Drake	1/20/2020	2.0	210.00	105.00	Payroll Tax - excel data entry
Gibboney	1/20/2020	3.5	458.50	131.00	Cost Report -signed off on all Caseware workpapers and checked references to numbering, payroll files from Tina, emails about MGMT fees, MGMT fee reclass, RHC/SB visit file from Tina/Shelly,
Slagle	1/20/2020	0.6	148.20	247.00	Correspondance with bankruptcy attorney & invoice detail
Drake	1/21/2020	3.8	399.00	105.00	Payroll Tax - excel data entry
Gibboney	1/21/2020	0.7	91.70	131.00	Cost Report -RHC/Swing Bed rounds file from Shelly. Research whether SB visits from RHC provider can be counted in RHC visit total-discussion with Curt
Drake	1/22/2020	3.0	315.00	105.00	Payroll Tax - excel data entry
Drake	1/23/2020	0.5	52.50	105.00	Payroll Tax - excel data entry
Gibboney	1/23/2020	0.1	13.10	131.00	Cost Report -Take contract labor out of FTE calc
Gibboney	1/24/2020	1.9	248.90	131.00	Cost Report -S-10, final draft PDF, OR CCR correction
Kemper	1/24/2020	2.5	722.50	289.00	Cost Report -Second review of caseware and FY 2019 draft copy of Medicare cost report for bankrupt hospital Prague.
Gibboney	1/25/2020	1.3	170.30	131.00	Cost Report -OR CCR correction, PS&R line mapping change, 2nd Final Draft PDF
Melillo	1/25/2020	1.5	150.00	100.00	ENTER EMPLOYEES INTO YEARLI TO UPLOAD W2S
Melillo	1/26/2020	2.0	200.00	100.00	ENTER WAGES INTO YEARLI SPREADSHEET
Kemper	1/27/2020	1.2	346.80	289.00	FY 2019 Medicare cost report 2nd review is complete. Sent minor review points to JPG for disposition.
Gibboney	1/28/2020	2.8	366.80	131.00	Cost Report -Changed 70565000 mapping to 73, other review items from Eric, discussion with Eric about draft changes, new draft
Alden	1/30/2020	0.4	40.00	100.00	Prepare W2 for mail
Gibboney	1/30/2020	0.2	26.20	131.00	Cost Report -revised inflation factor for contract therapy (A-8-3)
Melillo	1/30/2020	0.2	20.00	100.00	FILE ZERO SUTA, COMPLETE RETURN
Melillo	1/30/2020	0.5	50.00	100.00	CONFIRM TEMPLATE, UPLOAD TO YEARLI, PRINT W2S
Gibboney	1/31/2020	0.8	104.80	131.00	Cost Report -disucssion with Curt about RHC visits, disucssion with Curt about WS C and EKG reclass, WS C and EKG changes

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EMPLOYEE	DATE	HOURS	WIP AMT	RATE	MEMO
Webel	1/31/2020	3.7	<u>836.20</u>	226.00	Reviewed preparation work on client's FYE 09-30-2019 Medicare cost report.
<b>Subtotal</b>			<b>20,616.30</b>		
	1/31/2020		<u>40.00</u>		Postage Mailed W2'S 80@.50
<b>Expense Total</b>			<b>40.00</b>		

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**Arnett Carbis Toothman LLP Locations**

**West Virginia**

Bridgeport  
Buckhannon  
Charleston  
Morgantown

**Pennsylvania**

Meadville  
New Castle  
Pittsburgh

**Ohio**

Columbus

**Prague Community Hospital-Bankruptcy  
c/o Waldrep LLP  
101 S. Stratford Rd., Suite 210  
Winston-Salem, NC 27104**

**Invoice: 418686  
Date: 03/05/2020  
ID: 1301979.3000**

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Professional consulting services through February 29, 2020.

Detail attached.

Amount Due This Invoice \$ 6,267.40

**Visit our website to pay invoices online: [www.actcpas.com/payment](http://www.actcpas.com/payment)  
or**

**Remit to: Arnett Carbis Toothman LLP, Post Office Box 45723, Baltimore, MD 21297-5723**

*Invoices unpaid for more than thirty days are subject to a late charge of 1.25% per month on the unpaid balance for each full month  
that the invoice or unpaid portion thereof is outstanding.*

**WHITE - REMITTANCE COPY CANARY - CLIENT COPY**

### Prague- Invoice Detail

EMPLOYEE	DATE	HOURS	WIP AMT	RATE	MEMO
Gibboney	2/3/2020	2.4	314.40		Email to Dionna about Administration, Other Insurance Accounts, import new PS&R, update physician ER benefit adj, clear issues, 131 new diff report, updated RHC workpapers with reference and notes/S-3 Par I RHC FTEs- Cost Report
Hunt	2/3/2020	0.1	34.00		340 Cost report settlement discussions
Hutcheson	2/3/2020	0.5	170.00		340 Updated PSR- Cost Report
Slagle	2/3/2020	1.0	247.00		247 Review Bankruptcy docs, CR analyticals, Call with Waldrep
Webel	2/3/2020	6.8	1,536.80		226 Reviewed preparation work on client's FYE 09-30-2019 Medicare cost report. Email to Dionna requesting add. insurance invoices, updated EHR A-8 adj wp, discussion with Curt, Keith and Brent about insurance 131 re-class home office and subsequent changes- Cost Report
Gibboney	2/4/2020	1.0	131.00		Various discussions with ACT cost report team on issues related to allowable cost and settlements as well as conference call with 131 trustee to discuss status of various projects
Gibbs	2/4/2020	0.3	102.00		340 Trustee to discuss status of various projects
Hunt	2/4/2020	0.3	102.00		340 Update call with Waldrep regarding cost reports, payroll taxes, and hospital sales
Hutcheson	2/4/2020	0.5	170.00		340 Banruptcy meeting and administration fee meeting on cost report handling of costs
Slagle	2/4/2020	0.5	123.50		247 Waldrep Call- Cost report review
Webel	2/4/2020	2.1	474.60		226 Reviewed preparation work on client's FYE 09-30-2019 Medicare cost report.
Gibboney	2/6/2020	0.4	52.40		131 alert document/email- Cost Report
Slagle	2/6/2020	0.4	98.80		247 2019 cost report reasonable cost discussion and analysis- man fees
Slagle	2/7/2020	0.5	123.50		247 Review of filings- discussion w client & internal re cost report
Gibboney	2/10/2020	0.7	91.70		131 cost report submission process/cover letter/instructions, email to Dionna
Slagle	2/12/2020	0.2	49.40		247 Administrative expense- legal- cost report
Gibboney	2/13/2020	2.2	288.20		131 Discussion/email for legal fees, legal fee adj- Cost Report
Gibboney	2/14/2020	0.7	91.70		131 Legal fee and mgmt check, CMS 339- Cost Report UPLOAD QUARTERLY REPORTS TO ICHANNEL, UPLOAD PAYROLL REPORTS TO ICHANNEL, VERIFY ALL REPORTS AND
Melillo	2/14/2020	0.2	20.00		100 BACK UP ARE IN ICHANNEL
Slagle	2/14/2020	0.5	123.50		247 Discussion with trustee regarding contested exp on CR
Slagle	2/17/2020	0.6	148.20		247 Work with J.V. from Waldrep on CR analysis
Hunt	2/18/2020	0.1	34.00		340 Conf call regarding sale, cost report settlements, 2019 tax extensions
Slagle	2/18/2020	1.0	247.00		247 MC Cost Report data/update call w Waldrep/Jenni U.
Gibboney	2/19/2020	0.3	39.30		131 Final check- Cost Report
Slagle	2/19/2020	0.5	123.50		247 Cost Report and General Ledger Acct- inv detail
Slagle	2/20/2020	0.5	123.50		247 APA review- Medicare Cost Report follow-up
Slagle	2/21/2020	0.3	74.10		247 Cash projections from cost report and sale
Highlander	2/22/2020	1.3	442.00		340 Attention to negative tax basis capital reporting and supporting workpapers. Prepare extension for 2019 return.
Tilley	2/22/2020	0.8	50.40		63 Income tax extension
Gibboney	2/24/2020	0.3	39.30		131 Updated MAC address- Cost Report
Tyler	2/24/2020	0.2	16.80		84 Extension released, accepted, and scanned.
Brannon	2/25/2020	1.0	84.00		84 Copy, bind and mail MCR
Gibboney	2/25/2020	1.6	209.60		131 Cost report assembly/submission
Highlander	2/25/2020	0.4	136.00		340 Attention to negative tax basis capital account reporting.
Hunt	2/25/2020	0.2	68.00		340 Review and meeting related to cash flow analysis
Slagle	2/25/2020	0.3	74.10		247 Prep & meeting re sale of hospitals and outstanding items
Gibboney	2/27/2020	0.1	13.10		131 Bring in as-submitted cost report into Caseware
<b>Total</b>			<b>6,267.40</b>		

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**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
GREENVILLE DIVISION**

**IN RE:**

CAH ACQUISITION COMPANY 7, LLC d/b/a  
PRAGUE COMMUNITY HOSPITAL,  
**Debtor.**

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**Case No. 19-01298-5-JNC  
Chapter 11**

**NOTICE IS HEREBY GIVEN** that Arnett Carbis Toothman LLP as Certified Public Accountant to the Trustee (herein, the “CPA for the Trustee”), has filed its *Second Application By Arnett Carbis Toothman LLP as Certified Public Accountant for the Trustee for Allowance of Interim Compensation and Reimbursement of Expenses [December 1, 2019 through February 29, 2020]* (herein, the “Second Application”);

**FURTHER NOTICE IS HEREBY GIVEN** that CPA for the Trustee has applied for compensation in the amount of \$26,883.70 for fees and \$40.00 for reimbursement of expenses, for a total of \$29,923.70 for the period of December 1, 2019 through February 29, 2020;

**FURTHER NOTICE IS HEREBY GIVEN** that the Second Application filed by the CPA for the Trustee may be allowed provided no responses and request for a hearing is made by a party-in-interest in writing to the Clerk of this Court within TWENTY-ONE (21) DAYS from the date of this notice; and

**FURTHER NOTICE IS HEREBY GIVEN**, that if a response and a request for a hearing is filed by a party-in-interest in writing within the time indicated, a hearing will be conducted on this Second Application thereto at a date, time, and place to be later set by the Court and all interested parties will be notified accordingly. If no request for a hearing is timely filed, the Court may rule on the Second Application thereto *ex parte* without further notice.

Respectfully submitted, this the 8 day of April, 2020.

**WALDREP LLP**

*/s/ Jennifer B. Lyday*

Thomas W. Waldrep, Jr. (NC State Bar No. 11135)  
James C. Lanik (NC State Bar No. 30454)  
Jennifer B. Lyday (NC State Bar No. 39871)  
Francisco T. Morales (N.C. State Bar No. 43079)  
101 S. Stratford Road, Suite 210  
Winston-Salem, NC 27104  
Telephone: 336-717-1440  
Telefax: 336-717-1340  
Email: notice@waldrepllp.com

**- and -**

**HENDREN, REDWINE & MALONE, PLLC**

Jason L. Hendren (NC State Bar No. 26869)  
Rebecca F. Redwine (NC State Bar No. 37012)  
4600 Marriott Drive, Suite 150  
Raleigh, NC 27612  
Telephone: 919-420-7867  
Telefax: 919-420-0475  
Email: khendren@hendrenmalone.com  
rredwine@hendrenmalone.com

*Co-Counsel for the Trustee*

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
GREENVILLE DIVISION

IN RE: )  
 )  
CAH ACQUISITION COMPANY 7, LLC d/b/a ) Case No. 19-01298-5-JNC  
PRAGUE COMMUNITY HOSPITAL, )  
 ) Chapter 11  
Debtor. )  
 )

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**CERTIFICATE OF SERVICE**

The undersigned does hereby certify that a copy of **SECOND APPLICATION BY ARNETT CARBIS TOOTHMAN LLP AS CERTIFIED PUBLIC ACCOUNTANT FOR THE TRUSTEE FOR ALLOWANCE OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES [DECEMBER 1, 2019 THROUGH FEBRUARY 29, 2020]** was served via electronic service through CM/ECF upon those who have registered for such service, listed in Exhibit A, on April 8, 2020.

This the 8 day of April, 2020.

**WALDREP LLP**

/s/ Jennifer B. Lyday

Thomas W. Waldrep, Jr. (NC State Bar No. 11135)  
James C. Lanik (NC State Bar No. 30454)  
Jennifer B. Lyday (NC Bar No. 39871)  
Francisco T. Morales (NC Bar No. 43079)  
101 S. Stratford Road, Suite 210  
Winston-Salem, NC 27104  
Telephone: 336-717-1440  
Telefax: 336-717-1340  
Email: notice@waldrepllp.com

*Co-Counsel for the Trustee*

## EXHIBIT A

### Electronic Notification Through CM/ECF

Rayford K. Adams, III on behalf of Debtor

Jason L. Hendren on behalf of Trustee Thomas W. Waldrep, Jr.

Rebecca F. Redwine on behalf of Trustee Thomas W. Waldrep, Jr.

Benjamin E.F.B. Waller on behalf of Trustee Thomas W. Waldrep, Jr.

James C. Lanik on behalf of Trustee Thomas W. Waldrep, Jr.

Jennifer B. Lyday on behalf of Trustee Thomas W. Waldrep, Jr.

Thomas W. Waldrep, Jr. on behalf of Trustee Thomas W. Waldrep, Jr.

Marjorie K. Lynch on behalf of Bankruptcy Administrator Marjorie K. Lynch

Kirstin E. Gardner on behalf of Bankruptcy Administrator Marjorie K. Lynch

John Paul H. Cournoyer on behalf of Creditor Sun Finance, Inc., Creditor Paul L. Nusbaum, Creditor Steven F. White, and Interested Party Rural Community Hospitals of America, LLC

Nancy A. Peterman on behalf of Health Care Ombudsman Suzanne Koenig

Brian R. Anderson on behalf of Health Care Ombudsman Suzanne Koenig

William Walt Pettit on behalf of Creditor Complete Business Solutions Group, Inc.

Paul A. Fanning on behalf of Interested Party Cohesive Healthcare Management & Consulting, LLC

William P. Janvier on behalf of Boa Vida Foundation, Inc.

Ross A. Plourde on behalf of Cohesive Healthcare Management and Consulting, LLC